

Q2

Half-year report 2024

A record quarter

Stability and profitability

- Sales volume increased by 9 percent to 131 ktonnes (121)
 - Muted but stable market demand
 - Focus on new business showing good result
- Accelerated productivity improvements largely offset wage inflation and price pressure
- All-time-high quarterly adjusted operating profit at SEK 471 million (450)
- Carbon footprint and recycling on record levels



Stable demand and newly gained business drove good growth



Q2 2024 year-on-year sales volume growth

| | Gränges Americas | Gränges Eurasia | Gränges Group |
|----------------------|---------------------|--------------------|------------------|
| Automotive | ↘ | ↗ | → |
| HVAC | → | - | → |
| Speciality packaging | ↗ | ↗ | ↗ |
| Other niches | ↗ | ↗ | ↗ |
| Total | ↗ 7% | ↗ 10% | ↗ 9% |

↗ >+3% → -3% to +3% ↘ <-3%

Strategic partnership for electrification growth in Asia

- Gränges to take ownership of casting and hot-rolling facility in Shandong...
...and gain access to scalable downstream capabilities as well as good metal, energy supply
...in exchange for partner gaining minority share in Gränges' subsidiary in China
- Transaction has no cash impact, is expected to close in H2 2024, and to contribute marginally to EPS from 2025

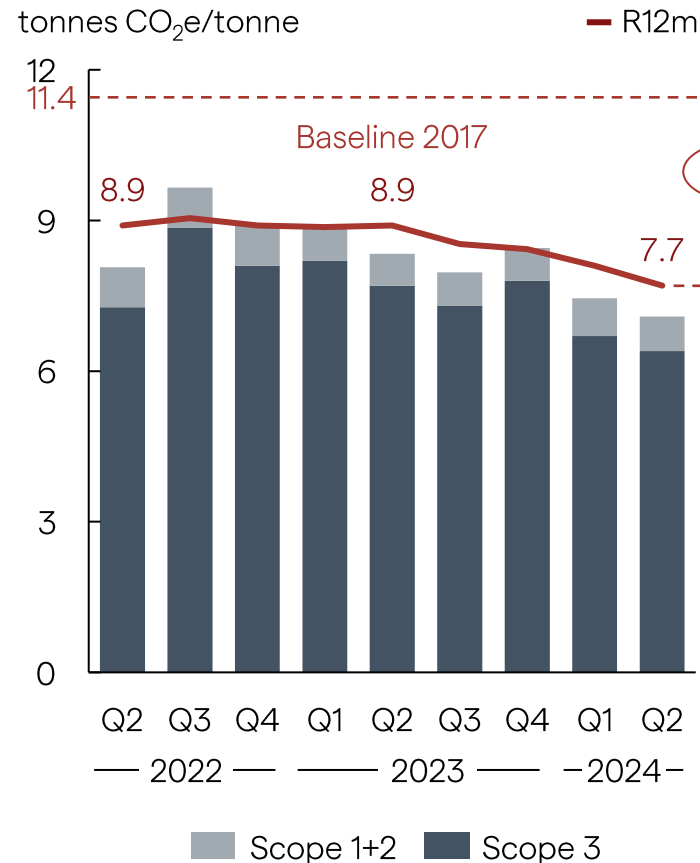


Record sustainability performance

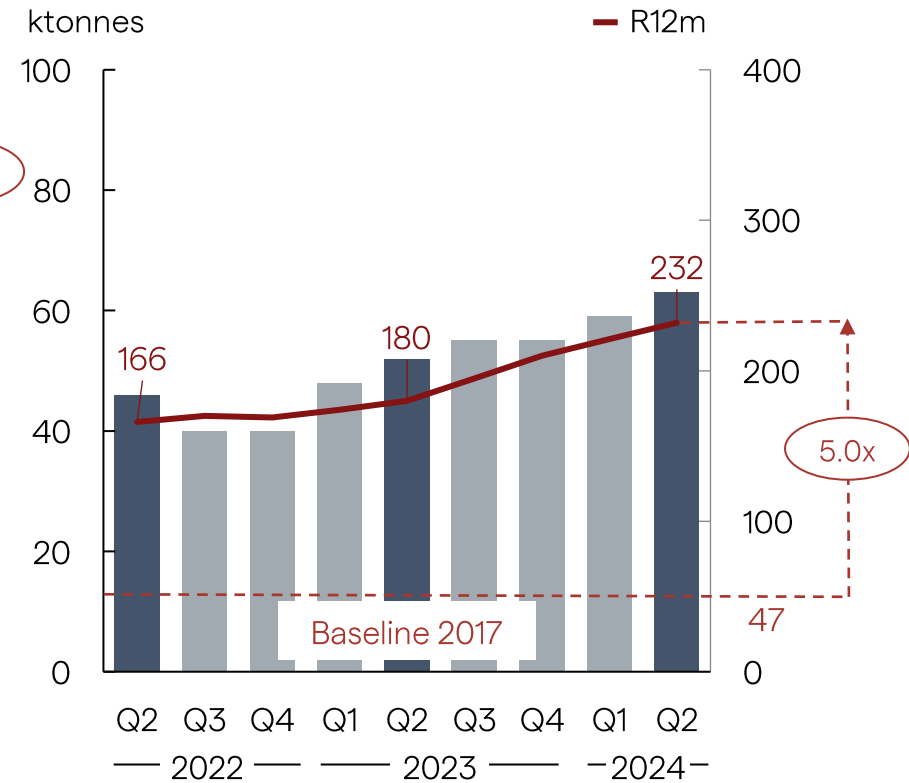


- All-time-low carbon emissions intensity, meeting 2025 climate goals ahead of time
- Record-high recycling volume, now about halfway to 2030 circularity goal of half a million tonnes

Carbon emissions intensity



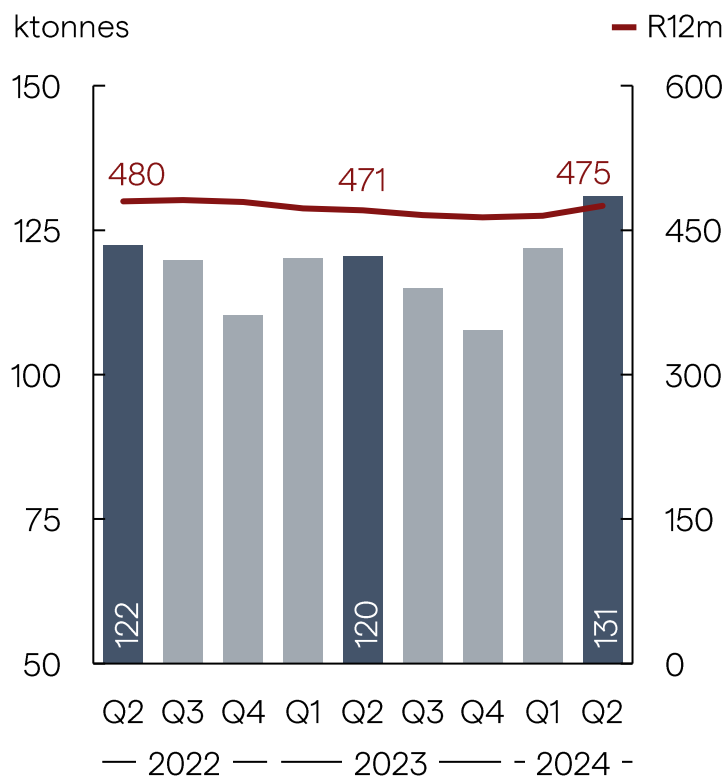
Sourced recycled aluminium



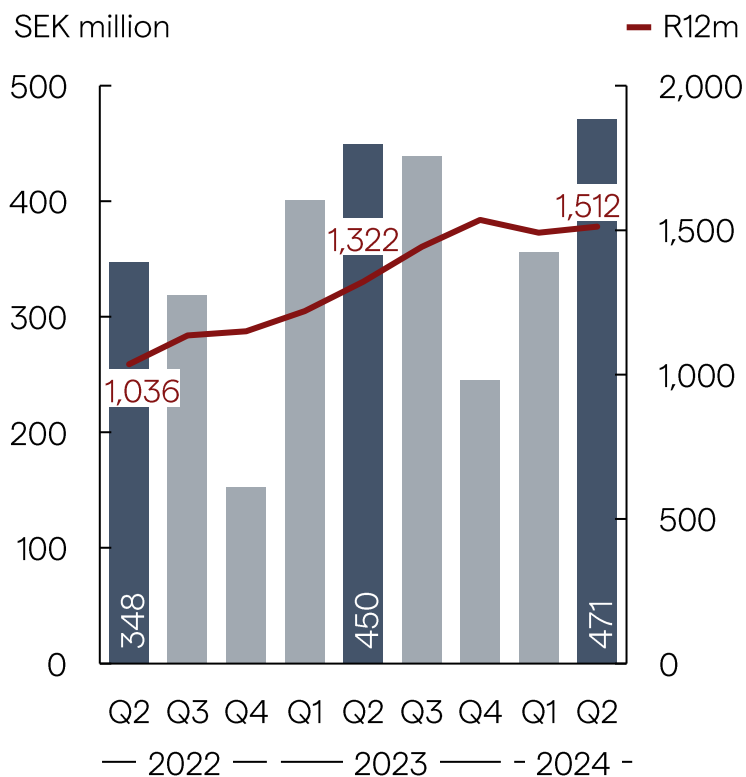
Newly gained business and improved productivity stabilize earnings on new level



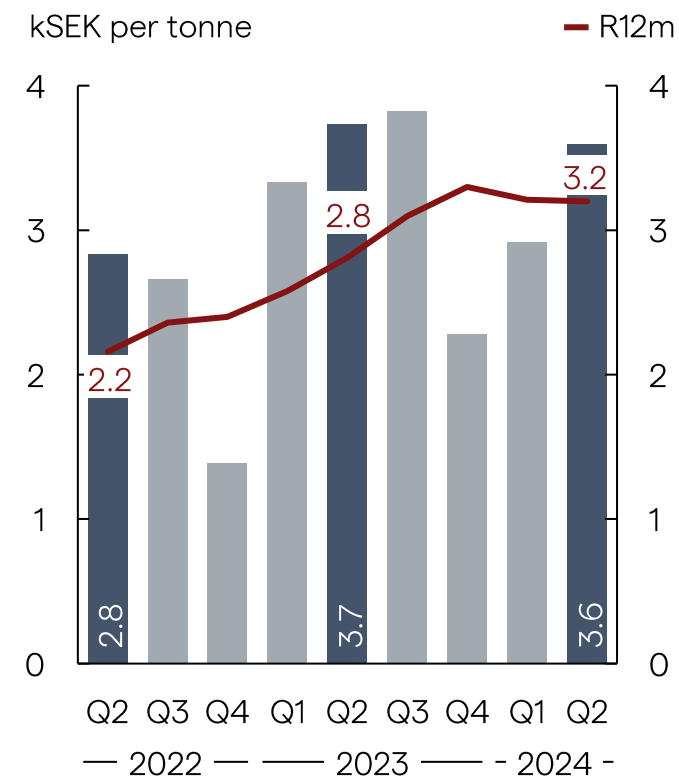
Sales volume



Adjusted operating profit



Adjusted operating margin



Financial overview Q2 2024



| SEK million | Q2 | | | January - June | | |
|---|-------|-------|-------|----------------|--------|---------|
| | 2024 | 2023 | Δ | 2024 | 2023 | Δ |
| Sales volume, ktonnes | 130.9 | 120.5 | 8.6% | 252.8 | 240.6 | 5.1% |
| Net sales | 6,145 | 6,008 | 2.3% | 11,573 | 11,976 | -3.4% |
| Adjusted operating profit ¹ | 471 | 450 | 4.7% | 827 | 851 | -2.8% |
| Adjusted operating profit per tonne, kSEK | 3.6 | 3.7 | -0.1 | 3.3 | 3.5 | -0.3 |
| Operating profit | 471 | 450 | 4.7% | 827 | 851 | -2.8% |
| Profit for the period | 314 | 316 | -0.8% | 551 | 570 | -3.3% |
| Earnings per share ² , SEK | 2.94 | 2.97 | -0.03 | 5.16 | 5.35 | -0.19 |
| Adj. cash flow before financing activities ³ | 399 | 779 | -49% | 494 | 1,066 | -54% |
| Return on capital employed, R12, % | | | | 11.9 | 10.2 | 1.7 ppt |
| Financial net debt / adjusted EBITDA, R12 | | | | 1.3 | 1.8 | -0.5 |

1. Adjusted for items affecting comparability

2. Diluted

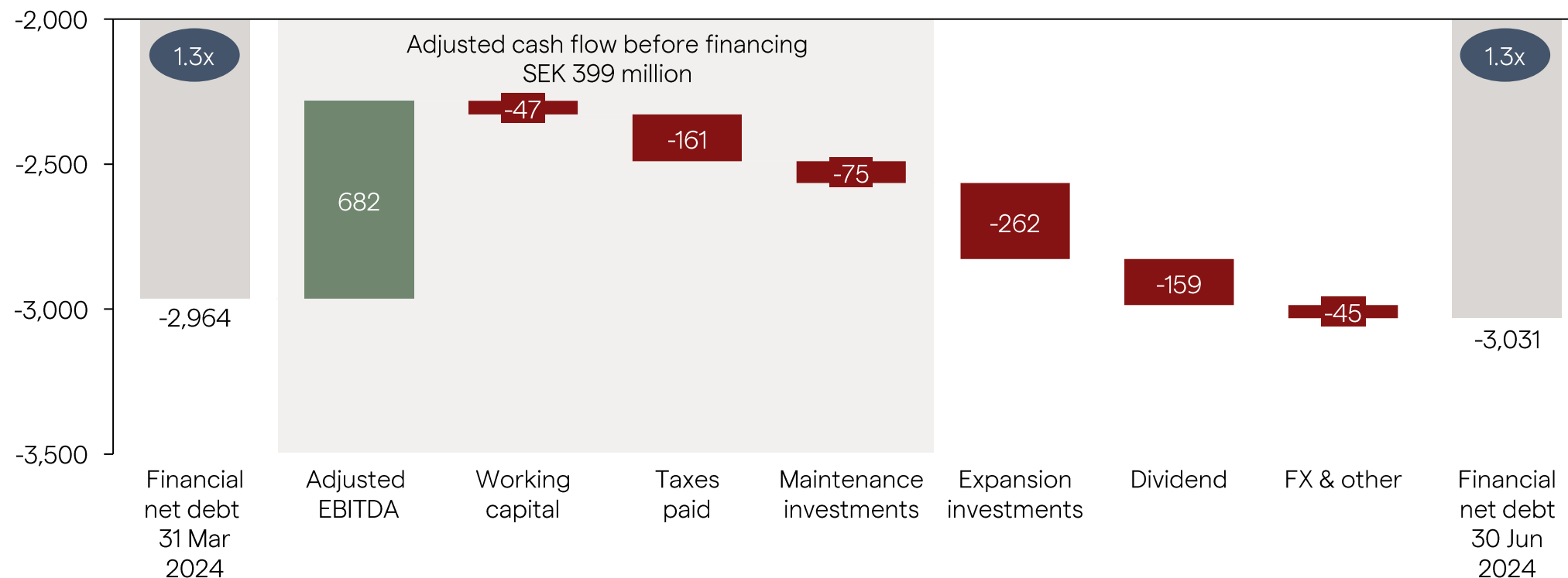
3. Adjusted for expansion investments and acquisitions

Improved working capital efficiency kept net debt stable in second quarter despite growth



Change in financial net debt

SEK million



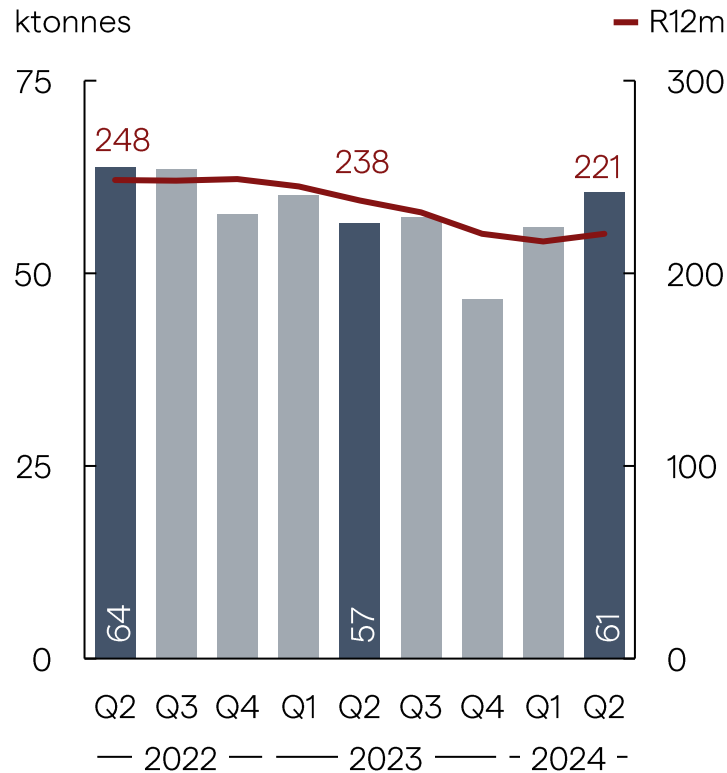
● Financial net debt over adjusted R12m EBITDA

Gränges Americas Q2 2024: Sales volume growth and improved productivity

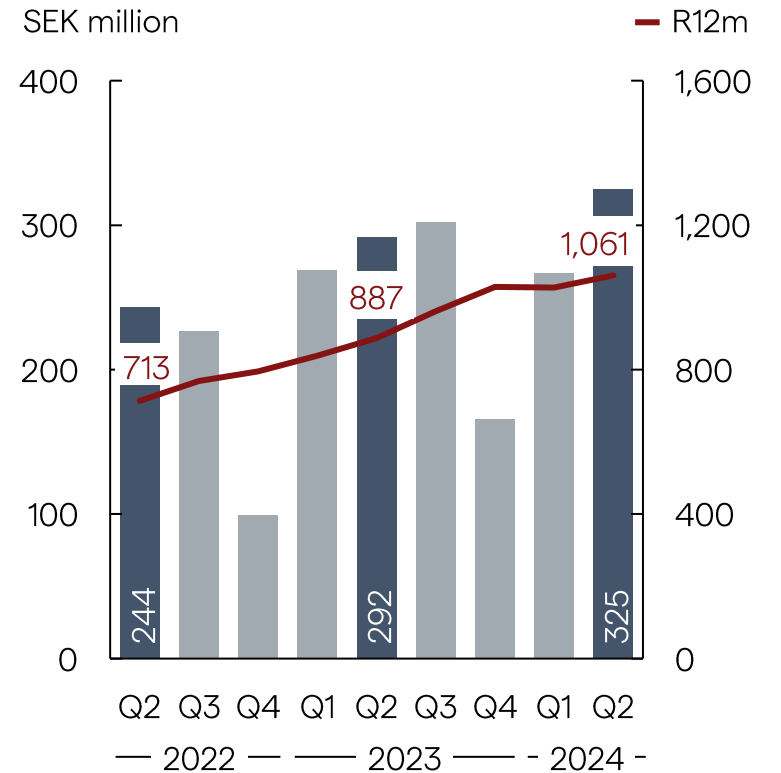


- All-time-high adjusted operating profit
- Stabilized market conditions and normalized downstream inventory levels
- Sales volume increased by 7% vs last year supported by new business gains
- Sales volume growth and improved cost productivity offset lower average fabrication price

Sales volume



Adjusted operating profit

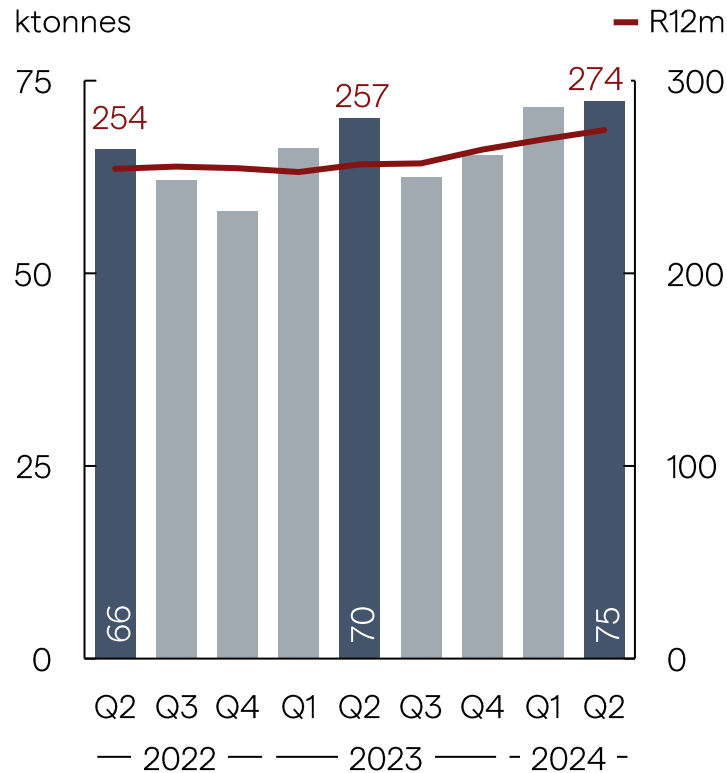


Gränges Eurasia Q2 2024: Sales volume growth and improved productivity

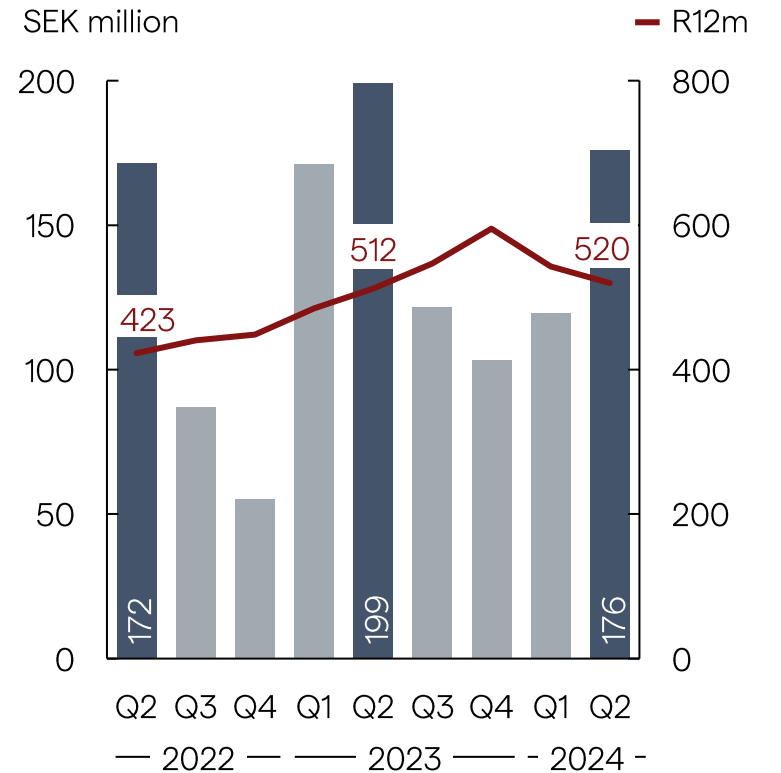


- Increased demand from Automotive in Asia
- Normalized inventory levels in Europe
- Sales volume¹ increased by 7% vs last year supported by newly gained business
- One-off surcharge timing effect of SEK 40 million in Q2 2023 negatively impacts year-on-year comparison

Sales volume



Adjusted operating profit



1. Refers to total sales volume, external sales volume growth was 10% in the second quarter.

Third-quarter outlook

- End-customer markets remain hard to predict, but appear comparatively stable in the near term
- Continued focus on gaining new business expected to drive a mid-to-high single-digit percentage sales volume growth compared to Q3 2023
- Intention is to offset any further price pressure and wage inflation with further productivity improvement



Q&A



GRÄNGES